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SUBJECT: TURKEY: THRIVING ECONOMY IN INDUSTRIAL TOWN

REF: ANKARA 1330

[11.](#) (U) Summary. A visit to a thriving industrial town near Ankara showed the spreading positive impact of Turkey's economic recovery on ordinary citizens. It also showed what seemed to be a newfound commitment on the part of elected politicians and businessmen to practicing entrepreneurship and self-reliance rather than looking for government handouts. Although the town may not be representative of life in largely agricultural Anatolia, its success demonstrates that at least some of the economic recovery is "trickling down." End Summary.

[12.](#) (U) Embassy officers recently visited Akyurt, a booming industrial town 32 kilometers from Ankara's city limits. Close to the airport and fortunate to have been allocated an organized industrial zone some 20 years ago, it accounts for approximately one third of Ankara province's total industry and boasts numerous large factories. Approaching the center of town, one passes several large factories including confectionery goods giant Ulker, the Kavaklidere Winery, and the MAN bus factory. Inside the town, near the Sub-Governor,s (Kaymakam's) office, there is a bustling market where residents and out-of-towners sell fresh vegetables and fruit, clothes, and household goods. The majority of the customers are women, clothed in head scarves and long skirts. The rest of the town appeared to be clean and well-kept with several construction sites for two-story houses complete with gardens--part of the Mayor,s urban development plans.

Thriving Local Economy

[13.](#) (U) The main draws to the city, according to Akyurt,s Sub-Governor, Huseyin Basol Gulec, are its close proximity to Ankara's international airport (3-4 kilometers away), its proximity to Ankara,s city center, and the fact that it has an organized industrial zone which has the necessary infrastructure for industrial development. Akyurt,s sub-province is home to about 230 factories, some of which are large international companies. The main products produced in Akyurt,s factories are textiles, buses, food, and furniture.

[14.](#) (U) The Sub-Governor painted a picture of a thriving local economy, emphasizing that local industrial output has been increasing since the 2001 crisis. He believes that the economy is even much better off than it was before the crisis. The Sub-Governor as well as the Mayor, Gultekin Ayantas, were also very proud of the fact that industry in Akyurt is environmentally friendly, both by coincidence (the industry located there is relatively clean) and design (the town does not approve the establishment of plants with industrial pollution).

[15.](#) (U) Akyurt is one of the sub-provinces in Ankara,s Metropolitan Municipality which suffers the least from unemployment. Factories employ about 20,000 to 25,000 citizens and in the next couple of years, local officials believe it will be Ankara,s fastest developing sub-province. The Sub-Governor said that by 2025, the population of Akyurt will reach upwards of 400,000 and the city has initiated infrastructure investments accordingly. The population increase would not come from natural increase, but rather will come from an influx of poor people from Anatolian towns seeking employment. With the expected growth comes a need for increased educational facilities. The sub-province thus plans to open a new school every 3 years and has already allocated the land for them.

Urban Development Projects

[16.](#) (SBU) Akyurt Mayor, Gultekin Ayantas, belongs to the ruling AK Party. He was elected by 72% of the voters--the highest percentage of votes won by a mayor in any mayoral election held in the sub-provinces in recent years. The

Mayor told officers that he has been trying to make up for the lack of infrastructure development under the leadership of his predecessor, who was mayor for 20 years. He has completed or initiated a sewage project, education projects, parks and recreation areas, and a covered market. He is also sponsoring an anti-smoking campaign. The Mayor would like to make Akyurt attractive for residents of Ankara, crowded, dirty city center. He says the municipality has already signed an agreement with the Metropolitan Municipality to introduce natural gas. He predicts a 20% increase in population when gas becomes available.

17. (U) According to the 2000 census, Akyurt's official population is 18,907. However, the Mayor believes there are actually 30,000 people living in Akyurt and during the day, the population increases to 45,000 because of the out-of-towners working in Akyurt's factories. Despite the increase, the central government only allots enough resources for the official census population count. Nevertheless, the Mayor seems to be making do with what the sub-province is allotted in government resources and is attempting to both beautify the city and encourage development and modernization.

Teach A Turk To Fish

18. (SBU) Mayor Ayantas, who has an education and civil-engineering background, criticized Turks for not obeying the rules and he believes the country will be able to develop more effectively once Turkish citizens start "obeying the rules." He was very critical of gecekondu or village-like shanty towns of small makeshift houses in which internal migrants live mainly as the result of a shortage of affordable housing. He said that Turks are turning big towns into villages with the construction of poor, dilapidated "gecekondu." He also said that Turkish citizens have been misguided over the years as Turkey gave its citizens fish, rather than teaching them how to fish.

19. (U) One area where the town seems to be dedicated to the Mayor's idea of teaching Turks to fish is at Akyurt's Public Education Center. According to the director of the center, Mr. Ali Isik, the literacy rate in Akyurt is 98.7%. The goal is to have 100% literacy in the sub-province. The school has approximately 296 students and offers English instruction, computer, vocational, and literacy courses. In recent years, the more popular courses have been the courses in computers and English language instruction. The center seems to be very successful with 99% of the students enrolled finishing their courses.

Union Heads Not As Enthusiastic

10. (U) The head of the local drivers association, Ahmet Magden, was less positive than the Sub-Governor and Mayor about the economic situation of the association's 550 members. He claimed that drivers (truck, bus, and taxi) are actually worse off now than 5 years ago because of higher taxes, fees, and traffic fines. He did admit however, that there are less accidents today because of tougher enforcement of traffic laws and that compulsory car insurance is popular.

11. (U) The chairman of the Industrialists and Businessmen's Association (AKSIAD), Mr. Irfan Giray, also does not believe the economy (local and overall) is doing better than it was five years ago before the economic crisis. He strongly believes that Turkey must strictly follow IMF structural guidelines in order to stabilize the economy. Though he admitted that previous governments were guilty of not prioritizing spending, and bribery and corruption, he believes that the current government is trying to implement IMF measures. Like the Mayor, Giray, says that Turks need to learn how to obey the rules.

12. (U) With regards to local business, Giray told Embassy officers that the main challenges to industry in Akyurt are a lack of sufficient infrastructure to support growth*mainly in the form of water supply and purification, electricity, natural gas, and high-tech communications. Of the 150 industries in Akyurt, 45 of them are members of AKSIAD. AKSIAD was established 2 years ago to resolve the infrastructure problems facing the industrial zone. Though their collective efforts may affect Akyurt proper as well, they are mainly focused on the infrastructure needs of the association members.

13. (U) Embassy officers met with Giray at the MAN bus factory where he serves as Director of Corporate Affairs and General Administration. The factory is primarily owned by the German multinational MAN and it employs 2,500 workers. The company made a 320 million Euro turnover in 2004 and is doing well. The factory produces both for the domestic market and for exports.

14. (SBU) Comment: Akyurt is one of Ankara's more

economically fortunate sub-provinces, its thriving industry reflecting the current boom in manufacturing. Other Anatolian towns which rely on agriculture as their main source of economic activity have seen less direct benefit from the improving economy. Akyurt's industrial capacity is promising and it appears to have local government officials and businessmen who are committed to development and modernization and who have a refreshing attitude towards obeying the rules.⁸ In a country historically fraught with civil and government corruption and bribery, with citizens who rarely abide by local traffic laws or civic regulations, leaders in the Akyurt sub-province seem to, at least, want to change the status quo. Since he came into office one year ago, the Mayor says he has not allowed a single building to be constructed without permission, thus stemming the continuation of gecekondu⁸ and the idea of turning big towns into villages.⁸ Moreover, the AKSIAD chairman's strong support of IMF measures is impressive in a country in which the IMF is widely misunderstood and resented by Turks other than economists and corporate executives. End Comment.

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